Specification Amendments:

Please amend the paragraph beginning on page 1, line 12 as follows:

Upon entering a video rental store, one is faced with selecting one of perhaps several hundred video titles that the video rental store has available. Unfortunately, if one is looking for an older video or one that did not receive wide circulation, one will almost certainly not find the video available. Furthermore, even if one desired a recently released video that received wide circulation, one could readily discover that all copies of the video have already been rented.

Please amend the paragraph beginning on page 7, line 14 as follows:

The present invention includes a number of embodiments. In most embodiments, a kiosk is provided to prepare and sell digital media to clients at the point of sale. In one example, the kiosk is be equipped with an apparatus to coat DVDs (or other media) after they are written. The coating is designed to make the disk unreadable after a given time thereby eliminating the need for the consumer to return the disk (as with a rental) and also eliminating many of the copyright concerns of the content provider.

Please amend the paragraph beginning on page 7, line 21 as follows:

In one embodiment, the ordering process can be performed remotely, e.g., over the Internet or a telephone line. This provides additional convenience to the consumer by allowing the media to be prepared before the time of purchase. It also allows the system to better control the operation and availability of content (e.g., a movie will not be removed from local cache if it will be need needed shortly).

Please amend the paragraph beginning on page 13, line 25 as follows:

When the customer first makes a video selection, the computer system 540 can determine if the video content is stored in a local video content server ~~560~~ within the kiosk 500. If the video content is not stored in the local video content server ~~560~~, the computer system 540 connects to a network/communication connection 562. The network/communication connection 562 receives the desired video content from a remote video content server 564 that can contain many thousands of videos in digital video content format and provides these to the computer system 540, which stores the video content on the local video content server ~~560~~. Preferably, the most frequently selected video content is stored on the local video content server ~~560~~. The most frequently selected video content can be updated either by the computer system 540, or remotely over the network/communication connection 562.

Please amend the paragraph beginning on page 15, line 16 as follows:

In a preferred embodiment, main computer 568 will control the network communication connections and the remote video content server. The computer 568 will keep track of sales for royalty payment purposes as well as membership information, and others. By using the computer 568, the various kiosks 500 can be remotely upgraded to store the most recent releases on their respective local video content servers ~~560~~.

Please amend the paragraph beginning on page 15, line 22 as follows:

A certain one or ones of the servers ~~560~~ can be used ~~at~~ <u>as</u> file servers. The file servers will keep all movies on file in case any kiosk does not have a particular movie stored locally. The files will be kept organized and easy to find. Other server(s) will operate as data servers, which send new information to the kiosks. These servers will also receive sales records to store in the main computer.